VZCZCXRO4693 OO RUEHAST RUEHBC RUEHBI RUEHCI RUEHDBU RUEHDE RUEHDIR RUEHKUK RUEHLH RUEHNEH RUEHPW DE RUEHNE #0782/01 1110619 ZNR UUUUU ZZH O 210619Z APR 09 FM AMEMBASSY NEW DELHI TO RUEHC/SECSTATE WASHDC IMMEDIATE 6252 INFO RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE RUCNIRA/IRAN COLLECTIVE RUEHBJ/AMEMBASSY BEIJING 7581 RUEHRL/AMEMBASSY BERLIN 1291 RUEHBY/AMEMBASSY CANBERRA 1471 RUEHLO/AMEMBASSY LONDON 6249 RUEHMO/AMEMBASSY MOSCOW 3331 RUEHFR/AMEMBASSY PARIS 1676 RUEHKO/AMEMBASSY TOKYO 6288 RHMFISS/HQ USCENTCOM MACDILL AFB FL RHEHAAA/WHITE HOUSE WASHDC RUEAIIA/CIA WASHDC RHHMUNA/HQ USPACOM HONOLULU HI RUEKJCS/JOINT STAFF WASHDC RUEIDN/DNI WASHINGTON DC RHEHNSC/NSC WASHDC RUEKJCS/SECDEF WASHDC RUCNDT/USMISSION USUN NEW YORK 7898

UNCLAS SECTION 01 OF 04 NEW DELHI 000782

SENSITIVE SIPDIS

E.O. 12958: N/A
TAGS: PREL PTER PARM TRGY KNNP EAGR ENRG EINV ETRD
PHUM, SOD, IR, PK, AF, IN

PHUM, SOD, IR, PK, AF, IN SUBJECT: PRIME MINISTER DISCUSSES IRAN, AFGHANISTAN WITH CODEL BERMAN

11. (SBU) Summary: In an April 17 meeting with Codel Berman, Prime Minister Manmohan Singh endorsed the Obama Administration's outreach to Iran, saying that a comprehensive dialogue will be more effective in changing Tehran's behavior than international sanctions. He urged the U.S. to stay the course in Afghanistan, and said India is willing to train Afghan police if needed. Saying India will do its part to tackle terrorism in South Asia, the Prime Minister expressed his government's willingness to return to talks with Pakistan as soon as Islamabad brings to justice those responsible for the November 2008 attacks on Mumbai. The Prime Minister indicated India's support for the U.S. Administration's new approach to nonproliferation, and said that India and the U.S. can collaborate more in the areas of clean energy, agriculture, and infrastructure development. The Codel also raised the Doha Round, poverty in India, and human rights violations in Kashmir. End Summary.

Iran: PM Supports U.S. Outreach, Thinks Sanctions Won't Work

12. (SBU) House Foreign Affairs Committee Chairman Howard Berman thanked the Prime Minister for taking time from campaigning in India's highly competitive national election to meet with the visiting U.S. delegation. Describing President Obama's new opening to Iran, Berman asked if India could help persuade the Iranians to react positively to this opportunity for wide-ranging dialogue. Praising the President's approach, the Prime Minister outlined India's position: a) India opposes Iran obtaining nuclear weapons; b) Iran must honor its commitments under the Nuclear Non-Proliferation Treaty; c) sanctions hurt the poor and strengthen the regime and its extremist elements; and d) India will continue to abide by all UN Security Council resolutions regarding Iran. He added that India is home to 25 million Shias, and that five million Indians work in the Persian Gulf; these facts impose constraints on India's policies vis-a-vis Iran. He also urged the U.S. to focus not only on uranium enrichment as a means of weaponization, noting that many materials come to Iran from North Korea via clandestine routes.

13. (SBU) Pressed by Rep. Gary Ackerman on India's opposition to sanctions, the Prime Minister continued that, in high level contacts with Iranians, including President Ahmadinejad, he had gained the impression that Iran's leaders want to "sit at the high table" with the U.S. and do not plan to make Iran a nuclear weapons state. "Don't underestimate the (Tehran) regime's capacity to withstand sanctions," he warned. Acknowledging that Iran's first reaction to President Obama's overtures had been "defensive," the Prime Minister advised taking a patient, step-by-step approach to prevent Iran from obtaining nuclear weapons.

Afghanistan: India Willing to Do Its Part

14. (SBU) Asked by Representative Jim Costa about the new U.S. strategy toward Afghanistan, the Prime Minister said a successful effort will not be completed in a year or two, but requires a long-term commitment. Acknowledging the difficulties of modernizing a "primitive, tribal" economy, he suggested it was necessary for the U.S. to demonstrate staying power in order to convince its enemies they must compromise. When Costa asked if the GoI would be willing to train Afghan police, the Prime Minister replied that India would be "happy to help" train them. He described India's U.S. \$1.2 billion commitment to road-building, power, health and education, and insisted that India has "no military ambitions" in Afghanistan.

Ready for Dialogue as Soon as Pakistan Lives up to Terrorism Commitments

NEW DELHI 00000782 002 OF 004

- 15. (SBU) Questioned by Representative Sheila Jackson-Lee about relations with Pakistan, the Prime Minister said Delhi and Islamabad had made great progress prior to February 2007, when President Musharraf ran into trouble. "We had reached an understanding in back channels," he related, in which Musharraf had agreed to a non-territorial solution to Kashmir that included freedom of movement and trade. The Prime Minister added that India wants a strong, stable, peaceful, democratic Pakistan and makes no claim on "even an inch" of Pakistani territory. Pakistan, on the other hand, supports infiltrators, hoping "by a thousand cuts" to weaken Indian solidarity, according to the Prime Minister.
- 16. (SBU) Reminding his visitors that India had lost nearly 200 of its citizens in the Mumbai attacks, the Prime Minister said it would be possible to return to dialogue only if Pakistan would "behave as a civilized country and bring the perpetrators to justice." U.S. and British intelligence had certified that the Mumbai attackers came from Pakistan. Now, Pakistani leaders had to stick by commitments made to Prime Minister Vajpayee and repeated to Prime Minister Singh in 2005 that they would not permit attacks on India launched from Pakistani soil. If so, huge trade opportunities awaited, according to the Prime Minister, who added that a strong Indian constituency favored normalized relations.
- 17. (SBU) Recalling the July 2008 attack on India's embassy in Kabul, the Prime Minister asserted that it had been carried out "with the active encouragement" of Pakistan's ISI. He had raised the issue with President Zardari and Prime Minister Gilani; both promised to investigate but never did. The Prime Minister stated that all he had heard in reply was a claim that the "old" ISI supported the attack. Praising President Obama's efforts to control terror groups, the Prime Minister said India was happy to play a role in these efforts.

PM Supports Administration's Approach to Non-Proliferation

^{18. (}SBU) In the Prime Minister's opening remarks, he stated that India shares the non-proliferation objectives outlined in President Obama's April 5 speech on non-proliferation in Prague. (Septel reports GoI reaction in detail.) He said

India wants to strengthen the global non-proliferation regime, to promote the cause of universal disarmament, and to work with the U.S. toward a verifiable Fissile Material Cut-Off Treaty.

Energy and Infrastructure Development

- 19. (SBU) The Prime Minister also stressed the importance India attaches to the U.S.-India Energy Dialogue. Asked by Representative Dan Lungren to elaborate, he described his vision for consistent, sustainable economic growth in India in the range of 9-10 percent per annum. He said India was investing heavily in modernizing its railways, especially along the Delhi-Mumbai and Delhi-Kolkata freight corridors. Outlining plans to create 78,000 MegaWatts (MW) of additional electrical capacity, he acknowledged that India would not reach that goal within its prescribed time frame, but asserted that orders for 65,000 MW of capacity were already in place.
- 110. (SBU) Asked by Lungren about clean coal technology, the Prime Minister said coal remains a primary source of India's energy; it will produce 400 million MT of coal this year. He proclaimed India's "deep interest" in clean coal technologies, then expressed concern that some of these technologies are highly capital-intensive. Through the Energy Working Group, the GoI was pleased to work with U.S. government colleagues, private industry and the American

NEW DELHI 00000782 003 OF 004

scientific establishment.

Trade and Agriculture

- 111. (SBU) Asked by Representative Ed Royce about India's position on Doha, the Prime Minister segued into a discussion of India's "well-regulated" financial system. Using the recent Satyam case as an example, he argued that India believes in "credible" regulation, and had used internal mechanisms to resolve the case to the satisfaction of foreign investors within three months.
- 112. (SBU) Pressed again to respond on Doha, the Prime Minister compared U.S. and European highly subsidized agricultural sectors to India's subsistence farmers producing a living on less than one hectare. Sixty-five percent of India's population works in agriculture, compared to two percent of America's, according to the Prime Minister. Heading into national elections, the GoI would have given its opponents "a golden opportunity" to turn 650 million voters against the incumbent party if it had not fought for "breathing room" at Doha.
- 113. (SBU) When Representative Costa interjected with a question about how India and the U.S. could collaborate more closely on agriculture, the Prime Minister acknowledged help from Norman Borlaug and U.S. land grant universities in creating India's first green revolution. Noting that this year, India's granaries are overflowing, he asserted that "India needs a second green revolution" involving environmentally friendly technologies, including economical use of water and pesticides. There are "endless opportunities" for working together, and the GoI has asked for the active involvement of America's research and development community, concluded the Prime Minister.

Human Rights Abuses in Kashmir

114. (SBU) The Prime Minister responded sharply to a comment by Representative Jim Moran suggesting that Pakistan might accuse India of mistreating citizens in Kashmir. "Stories of atrocities by Indian forces are grossly exaggerated," the Prime Minister asserted. He claimed the GoI had taken action against those involved in human rights violations, and that it remained committed to protecting the human rights of all Indian citizens. He also noted that separatists would, for

the first time in 13 years, take part in this year's Lok Sabha elections (septel will report on this development in detail).

Poverty in North India; Development in the South

115. (SBU) Representative Moran probed for an explanation for the differing speed of development in India's north versus south, wondering if a higher level of egalitarianism in the south accounted for its ability to take advantage of outsourcing and telecommunication opportunities. The Prime Minister agreed that, in southern India, women have greater opportunities to participate in the work force, adding that he would like all of India to move in that direction. He stated that his government has sought to: a) ensure that every child receives an education at least through elementary school; b) tackle the challenges of inadequate infrastructure; c) create an environmentally sustainable growth path; and d) create opportunities for entrepreneurship. He concluded with the hope that it will be possible to reduce the gap between states, and expressed his pleasure that today's Chief Ministers compete among themselves to be seen as the most friendly to development.

Participants

NEW DELHI 00000782 004 OF 004

116. (U) Indian side:
Prime Minister Manmohan Singh
National Security Adviser M.K. Narayanan
Principal Secretary (PMO) T.K.A. Nair
Foreign Secretary Shiv Shankar Menon
Joint Secretary (PMO) Pankaj Saran
Virender Paul (PMO), note-taker

U.S. side:

Charge d'Affaires A. Peter Burleigh
House Foreign Affairs Committee Chairman Howard Berman
Representative Gary Ackerman
Representative Sheila Jackson-Lee
Representative Dan Lungren
Representative Ed Royce
Representative Jim Costa
Representative Jim Moran
Political Counselor Ted Osius (notetaker)

 $\P 17.$ (U) Codel Berman did not have an opportunity to clear this cable. BURLEIGH